

AGENDA
Interested Persons Meeting
428 J Street, Suite 800
Sacramento, CA 95814
October 20, 2011, at 10am

Staff of the Fair Political Practices Commission will hold an interested persons' meeting on **Thursday, October 20, 2011, at 10am** to solicit public comment regarding the following proposals:

- **To implement a more comprehensive treasurer training program**
- **To post enforcement actions levied against campaign treasurers on the Commission's website.**

Background

Criminal allegations of campaign fraud filed against professional campaign treasurer Kinde Dirkee, who has been accused of embezzling campaign funds for years, has brought to the public's attention and the Commission's that the role of the Commission with respect to campaign treasurers may warrant more examination.

Section 84100 and Regulation 18426.1 of the Act requires every committee to have a treasurer and that no expenditure be made by or on behalf of a committee without the authorization of the treasurer or that of his or her designated agents. No contribution or expenditure shall be accepted or made by or on behalf of a committee at a time when there is a vacancy in the office of treasurer.

Regulation 18427 further provides that the treasurer of a committee shall verify that to the best of his or her knowledge the committee campaign statements are true and complete and use all reasonable diligence in the preparation of the statements. To comply with these duties the treasurer shall do all of the following:

“(1) Establish a system of record keeping sufficient to ensure that receipts and expenditures are recorded promptly and accurately, and sufficient to comply with regulations established by the Commission related to record keeping.

“(2) Either maintain the records personally or monitor record keeping by others.

“(3) Take steps to ensure compliance with all requirements of the Act concerning the receipt and expenditure of funds and the reporting of funds.

“(4) Either prepare campaign statements personally or review with care the campaign statements and underlying records prepared by others.

“(5) Correct inaccuracies or omissions in campaign statements of which the treasurer knows, and cause to be checked, and, if necessary, corrected, information in campaign statements a person of reasonable prudence would question based on all the surrounding

circumstances of which the treasurer is aware or should be aware by reason of his or her duties under this regulation and the Act.”

Regulation 18426.1 provides that assistant treasurers may also perform these duties.

Two proposals have been suggested to improve public awareness of the treasurer’s important roles and duties and what is considered appropriate and inappropriate conduct.

1. Implement a more comprehensive treasurer training program

The Commission currently provides training to treasurers on an intermittent basis. The training can be made more frequent and more comprehensive concerning treasurer duties, including ethics training. For example, it has been proposed in the past that the Act could be amended to require training for campaign treasurers, similar to the training required for lobbyists, to better ensure that campaign treasurers are aware of the basic reporting rules, basic legal prohibitions (such as campaign fund laundering), and require a first-time treasurer to acknowledge on the Form 410 that he/she has read the restrictions. The Commission would like feedback on how the training of treasurers may be modified to avoid these types of situation in the future.

2. The posting of enforcement actions levied against campaign treasurers on the Commission’s website.

The Commission may consider a policy through which the staff would post a list of enforcement actions that have been taken against treasurers. An informed public will be better able to make the extremely important decision of who will be the committee treasurer.

You may participate in this interested persons meeting in person or by teleconference by calling (877) 771-7176; access code 348709. For questions about participating by phone, you may contact Virginia Latteri-Lopez at (916) 322-5660. The Commission also invites written comments addressing these topics. You may also contact Technical Assistance Division Chief Lynda Cassidy at (916) 322-5660 with comments on these issues or questions about the meeting.